

# OUR PURPOSE

To provide a program that exceeds our customers' expectations and maximizes their opportunity for **Advancement**.



# THE DRIVE FORWARD!

FEBRUARY 25, 2025 - VOLUME 2

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**About our newsletter:** *This newsletter is designed to inform the entire franchise system. Our goal is to provide an additional forum to communicate changes, distribute information, highlight statistical data, and address items of interest.*



# A MESSAGE FROM MIKE ONDA

Hello everyone -

I hope this message finds you well and that you are making the most of the 2025 Tax Season— just yesterday we saw system applications, approvals and sales double compared to the previous three Mondays! Tax Season is our annual opportunity to help prospective and current customers make the most of their refunds by getting into a program that can help them advance in life or improving their odds of success along the way.



At the Franchise Support Center we are diligently preparing for a highly informative and productive 20 Group Meeting in Miami next month. During the General Session I will provide a company update followed by:

- ▶ **Ben Goodman**, who will share key system statistics along with Franchise Support and Development updates.
- ▶ **Kelly Phillips**, who will present her vision for Marketing.
- ▶ **John Krupnik**, who will give an ARE 5 update and present his vision for the future of our IT department.
- ▶ **Jeff Higgins**, who will provide insights into the latest Legal and Compliance developments.

Additionally, our Executive Franchise Consultants will lead educational breakout sessions designed to help you identify new opportunities and enhance business performance. In addition to the composite review, we will be hosting a Hot Topic session, a pay plan review session, and a specialized presentation featuring a franchise expert on effective strategies for recruiting, onboarding, training, and managing high-performing collectors. We are pleased to welcome Brent Measles as our distinguished guest speaker for this segment.

We are also excited to welcome a variety of vendors who will showcase the latest offerings across key categories including Automotive Parts (new and refurbished), Marketing, Remarketing, Risk, and Recovery Services.

I look forward to connecting with you all in Miami and to another successful year ahead!

Sincerely,

*Mike Onda*

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# INDUSTRY ARTICLE

## NAVIGATING 2025: MARKET GROWTH, INTEREST RATE STABILITY & STRATEGIES FOR SUCCESS

As we move into 2025, the Buy Here Pay Here (BHPH) industry faces both **opportunities and challenges**. The Federal Reserve has held interest rates steady at **4.25% to 4.5%**, with Chair Jerome Powell stating:

*“We are not on any preset course.”*

This decision leaves economic uncertainty in play, making it essential for BHPH dealers to **position themselves as stable, flexible financing solutions** for customers navigating affordability concerns.

### **WHAT THE FED'S DECISION MEANS FOR BHPH**

While easing auto loan rates won't change the rates we offer customers, they **lower our cost of funds**, improving margins and allowing us to reinvest in inventory, operations, and financial stability.

This advantage strengthens our ability to offer competitive terms and maintain profitability while keeping BHPH financing accessible to customers who may struggle with traditional lending.

### **HOW DEALERSHIPS CAN WIN IN 2025**

With economic uncertainty in play, **grassroots marketing and operational efficiency** will separate successful BHPH dealers from the competition.

#### **1. COMMUNITY ENGAGEMENT: BE MORE THAN JUST A DEALERSHIP**

Sponsoring **local events, sports teams, and community programs** builds trust and brand loyalty.

**Engage with customers outside the store** to establish long-term relationships.

#### **2. STRENGTHEN YOUR ONLINE PRESENCE**

**Encourage Customer Reviews** on Google and Facebook to build credibility and improve search rankings.

**Maximize Google My Business** by keeping dealership information accurate and responding to reviews.

**Use Social Media to Your Advantage** by posting inventory updates, promotions, and customer success stories.

**Enhance Customer Communication** by quickly responding to online inquiries to improve conversions.

#### **3. PREPARE FOR TAX SEASON: A CRITICAL SALES WINDOW**

Tax refund season is one of the biggest car-buying periods of the year. Many customers use refunds for **down payments**, creating a surge in demand for used vehicles.

#### **DEALERSHIP ACTION PLAN:**

- ▶ **Inventory Readiness:** Stock the right vehicles at the right price points.
- ▶ **Marketing & Promotions:** Offer tax refund matching programs and flexible down payment options.
- ▶ **Staff Preparedness:** Train sales and finance teams to handle increased customer activity.

# INDUSTRY ARTICLE

## LONG-TERM PLANNING: STAYING AHEAD IN A CHANGING MARKET

With Comerica Bank predicting **only one rate cut in 2025**, borrowing costs will likely remain high. BHPH dealers should focus on:

- ▶ **Smart Inventory Management** – Buying the right vehicles at the right price.
- ▶ **Collections & Customer Support** – Proactively working with customers to prevent delinquencies.
- ▶ **Sales & Marketing Alignment** – Reinforcing BHPH financing as a **stable** and **accessible** option.

## FINAL TAKEAWAYS: 2025 IS ABOUT ADAPTABILITY

For **owners, general managers, sales teams, service advisors, and finance teams**, success in 2025 will come down to **adaptability**. With smart strategies in place, BHPH dealers can capture **market growth opportunities** while helping more customers get into reliable vehicles.

At Byrider, we remain committed to supporting our **franchise partners, dealership teams, and customers**. **Let's make 2025 a year of growth, opportunity, and success!**

# TIP OF THE MONTH

## TOP 10 WAYS TO TRAIN AND DEVELOP YOUR SALES TEAM!

1. **Comprehensive Onboarding Program** – Provide new hires with structured training, including industry knowledge, sales techniques, and company values.
2. **Ongoing Training** – Keep the team updated on techniques and enterprise trends to boost confidence and credibility.
3. **Role-Playing Exercises** – Simulate real sales scenarios to help associates practice handling objections, closing deals, and improving communication.
4. **Mentorship and Coaching** – Pair new or underperforming associates with experienced salespeople for hands-on learning and guidance.
5. **Regular Performance Feedback** – Conduct one-on-one reviews to discuss strengths, areas for improvement, and personalized development plans.
6. **Teach Active Listening Skills** – Encourage associates to focus on customer needs, ask the right questions, and build rapport instead of just pushing a sale.
7. **Sales Process and CRM Training** – Ensure reps fully understand the dealership's sales process and how to use the CRM to track and manage leads effectively.
8. **Motivation Through Incentives** – Implement rewards, bonuses, or recognition programs to encourage high performance and continuous improvement.
9. **Encourage a Growth Mindset** – Promote professional development by offering access to sales books, online courses, or industry workshops.
10. **Lead by Example** – Managers should demonstrate the desired behaviors, work ethic, and sales techniques they expect from the team.

# MAJOR MILESTONES (ANNIVERSARIES)

## CONGRATUALIONS ON 20 YEARS!

- ▶ **IA109 - Davenport, IA**  
**Opened on 2/7/2005**  
**Ranked 12th**  
**- Russ Larson and Team**



## CONGRATUALIONS ON 15 YEARS!



- ▶ **OH148 - Canton, OH**  
**Opened on 2/4/2010**  
**Ranked 5th**  
**- Chris McPhie/Greg Barrett**

# FRANCHISEES IN THE COMMUNITY

## GOVERNOR APPOINTS KY LEADERS TO BOARDS, COMMISSIONS

Congratulations to **Sean Garber (Byrider KY110)**, Chairman of the Board for Byrider Franchising Partners, on his appointment by Governor Andy Beshear to the Kentucky Unemployment Insurance Commission. Garber, CEO of Algar Inc., will represent employers on the Commission and serve a term through October 25, 2028. His leadership in automotive finance and business operations makes him a strong advocate for workforce development and economic policy in Kentucky.

[Read more here](#)



# RANKINGS

## TOP 25 LOCATIONS & FRANCHISE STATS

### TOP 25 STORES THROUGH JANUARY 2025

RANK	LOCATION ID	STORE ID	CITY, STATE	GROUP
1	OH140	OH130	Mansfield, OH	McPhie / Barrett
2	IN127	AR103	Terre Haute, IN	Enderlin / Aldridge
3	MO109	IA109	Springfield, MO	Larson / Sleeth
4	WI114	WI114	Wausau, WI	Kocourek / Freiboth
5	OH148	OH130	Canton, OH	McPhie / Barrett
6	MO113	IA109	Joplin, MO	Larson / Sleeth
7	KY109	AR103	Bowling Green, KY	Enderlin / Aldridge
8	IA104	IA109	Burlington, IA	Larson / Lee
9	AR102	AR102	Springdale, AR	Hanson
10	OH152	OH130	Ashtabula, OH	McPhie / Barrett
11	IA110	IA109	Des Moines, IA	Larson / Lee
12	IA109	IA109	Davenport, IA	Larson / Lee
13	SC115	SC105	Greenville, SC	Gandolfo
14	OH142	OH130	Wooster, OH	McPhie / Barrett
15	OH130	OH130	Akron, OH	McPhie / Barrett
16	SC105	SC105	Columbia, SC	Gandolfo
17	MI115	KY103	Petoskey, MI	Anderson / France
18	SC114	SC105	North Charleston, SC	Gandolfo
19	IN116C	IN116	Bloomington, IN	Wagner / Gerhart
20	IN116A	IN116	Richmond, IN	Wagner / Gerhart
21	PA116	PA116	Palmyra, PA	Lewis
22	ID101	ID101	Boise, ID	Chalfant/Loughran
23	ID102	ID101	Nampa, ID	Chalfant/Loughran
24	MI109	MI109	Traverse City, MI	Marsh / Chevalier
25	WI110	WI101	Waukesha, WI	Darrow



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# TOP PERFORMERS

## TOP SALES LOCATIONS - JANUARY 2025

RANK	FRANCHISE	LOCATION	CITY	NET SALES
1	OH159	PA124	Monroeville, PA	49
2	AR102	AR102	Springdale, AR	45
3	WI101	WI102	Milwaukee, WI	44
4	IN116	IN116H	Evansville, IN	43
5	OH130	OH130	Akron, OH	41
6	OH130	OH140	Mansfield, OH	40
7	IA109	MO109	Springfield, MO	40
8	OH159	OH159	Dayton, OH	39
9	SC105	SC115	Greenville, SC	38
10	WI101	WI107	Madison, WI	38

## TOP SALES ASSOCIATES - JANUARY 2025

RANK	FRANCHISE	LOCATION	NAME	SALES
1	IL115	IL133	Dusty Kaster	38
2	AR103	IN127	Kyle Hurd	32
3	IA109	IA110	Jeff Adams	29
4	TX112	TX129	Ali Alhachamy	29
5	IN116	IN116H	Bethany Downing	29
6	OH159	OH161	Paul Wooley2	28
7	IA109	IA109	Jerry Johnson	27
8	AR102	AR102	Keven Tarbet	26
9	IL115	IL121	Richard Belanich3	25.5
10	IN116	IN116A	Ladd Gorby	24
10	AR103	AR103	Brian Pritchard	24
10	OH130	OH140	Caeden Jacobs	24
10	OH128	WV109	Keelan Shepherd	24

## TOP COLLECTORS - JANUARY 2025

RANK	FRANCHISE	COLLECTOR	TOTAL ACCOUNTS	1+ DQ AVERAGE
1	LA109	Andrew Brock	192	1.68%
2	PA116	Jim Welsh	639	2.05%
3	AR103	Colton Aldridge	351	2.18%
4	AR103	Marlene Clark	898	2.46%
5	IA109	Beverly Harwood	272	2.52%
6	IA109	Anna Dziulko	322	3.12%
7	KY110	Stephen Rhorer	275	3.30%
8	SC105	Neshara Cox	211	3.31%
9	KY110	Victoria Morgan	279	3.38%
10	LA109	Sarah Thomas	275	3.55%

# ASSOCIATE SPOTLIGHT

## KELLY PHILLIPS- VP OF MARKETING



Kelly Phillips is an automotive marketing and sales expert with over 25 years of experience. Originally from Chicago, she has worked on both the agency side and with franchise owners, gaining a deep understanding of dealership operations. Beyond marketing, she has successfully set up and managed sales and service BDCs, focusing on data-driven strategies that enhance performance. Kelly specializes in inventory and content-driven marketing, managing digital platforms like Google Analytics, social media, AdWords, SEO, and Pre-Roll. She has also optimized website platforms, created strong KPIs, and driven conversions, leading to substantial savings, increased sales and/or increase in share.

Kelly's industry impact includes managing marketing for 22 dealerships, improving sales and efficiency while enhancing CRM processes for better productivity and accountability. She has also developed dealership data dashboards that have been instrumental to their sales and saving success. Now based in Milwaukee with her husband, Andy, and their children, Bill and Payton, she enjoys country music, live concerts, cooking, pickleball, and golf, always making time for family and friends.

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# UPCOMING EVENTS

## ► **EXCITING ANNOUNCEMENT: BYRIDER 20 GROUP MEETING IN MIAMI!**

We are thrilled to invite all franchise owners and operators to the upcoming Byrider 20 Group Meeting in Miami, Florida. This is a fantastic opportunity to connect, collaborate, and grow together as an organization!



### Event Details:

- **Dates:** March 17th & 18th, 2025
- **Location:** Hotel AKA, Miami, FL

We look forward to seeing you there for two days of valuable discussions, networking, and strategy sharing. Stay tuned for more information and prepare for an inspiring event!

### **Vendors Attending**



## ► **MARCH FRANCHISE WEBINAR**

- **Monday, March 10, 2025, from 1-2 PM**

Join Jared Wynn for updates on the franchise system and to learn more about AutoZone and Stream Companies Advertising.

## ► **APRIL COMPOSITE REVIEWS**

On April 16th, franchise consultants will lead a Composite & Financial Review session for all Byrider Franchise Owners and Operators.

- **The session will provide insights into the financial health and performance of each location by comparing results across the network.**
- **Franchise owners and operators will collaborate and share ideas to improve their businesses.**
- **The goal is to enhance operational efficiency, increase profitability, and drive growth.**

# TRAINING CORNER

## TAX TIME TIPS WITH TIM

### LEVERAGING TAX SEASON TO ENHANCE BUSINESS PERFORMANCE

Tax season presents unique opportunities to drive revenue and improve customer engagement across all business phases. Here's how:

#### SALES:

- ▶ **Attract customers early by anticipating their tax refunds. Implement Tax Deferred Installment Payments (DIPs) until they receive their returns.**
- ▶ **Encourage larger down payments from customers with returns in hand. Assume customers have more funds than they initially report.**
- ▶ **Solicit low-balance customers for trade-ins, using tax refunds to offset negative equity.**

#### CNAC (COLLECTIONS):

- ▶ **For delinquent (DQ) customers, provide tax refund estimates and secure commitments to bring the account current.**
- ▶ **Utilize tax season to establish payment plans with customers. Consistent on-time payments combined with committed tax refunds can help bring accounts current.**

#### SERVICE:

- ▶ **For out-of-warranty repairs, offer customers the option to commit a portion of their tax refund through a Mechanical Deferred Installment Payment (M-DIP) to finance the service and get their vehicle back on the road.**
- ▶ **Contact past-due M-DIP customers to create revised payment plans and obtain tax refund commitments.**

#### OVERALL:

While these strategies require diligent tracking and follow-up, they can significantly increase cash flow during tax season.



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# VENDORS OF THE MONTH!

## TAKE CONTROL OF YOUR RECOVERIES AND MARKETING WITH DRN

DRN

### DRIVE SMARTER RECOVERIES & TARGET THE RIGHT CUSTOMERS

MVTRAC | SCM

Competition is increasing, and recoveries are becoming more challenging. Are you looking for a smarter way to locate assets, mitigate risk, and reach the right customers? DRN's industry-leading License Plate Recognition (LPR) data and analytics help Byrider stay ahead.

### RECOVER MORE, REDUCE RISK, AND STAY COMPLIANT

- ▶ **Recover More Vehicles** – Real-time vehicle location intelligence helps reduce losses and increase efficiency.
- ▶ **Reduce Risk Exposure** – Strengthen your risk mitigation strategy with nationwide insights that improve recovery rates.
- ▶ **Ensure Compliance** – Industry-leading solutions support compliance, reduce risk, and enhance decision-making.

### POWERFUL RECOVERY TOOLS AT YOUR FINGERTIPS

- ▶ **Loss Alerts** – Get real-time notifications on asset status with active monitoring of 12M+ VINs to prevent losses.
- ▶ **Skip Tracing** – Find hard-to-locate vehicles using advanced LPR data and analytics to speed up recoveries.
- ▶ **DRNsights Risk Scoring** – Identify high-risk accounts with predictive analytics for smarter, data-driven recovery decisions.

### DATA-DRIVEN GROWTH MARKETING WITH CAPTURE

Gain **400+ customer attributes**, including demographics, vehicle details, and behavior insights to:

- ▶ **Target the right customers** – Identify and reach high-value customers with strategic segmentation.
- ▶ **Enhance digital campaigns** – Expand your digital presence with targeted advertising.
- ▶ **Maximize marketing ROI** – Reduce waste and increase conversion rates.

### WHY BYRIDER PARTNERS WITH DRN

- ▶ **\$28B+ in vehicle value recovered.**
- ▶ **300+ major U.S. markets covered.**
- ▶ **\$1M in client value per 1,000 vehicles recovered.**

### LIMITED TIME OFFER

Byrider benefits from exclusive DRN rates and promotional offers through 6/30/2025. Let's Talk! Schedule a quick demo to see how DRN can transform your recoveries and marketing.

CONTACT SALES



## **LOWER RECON COSTS AND SAVE MORE WITH GRADE A AUTO PARTS!**

Looking to reduce your recon costs and boost your bottom line? Grade A Auto Parts is here to help! As a full-service provider of high-quality recycled OEM and remanufactured auto parts, we have been in business since 1985. Forty great years in the parts business and a valued partner with Byrider since 2008.



**“A Company of Champions”**

### **WHY GRADE A AUTO PARTS?**

- ▶ **Industry Leader:** As one of the largest independently owned automotive recyclers in North America, we are committed to providing the best recycled and remanufactured parts in the business. No part is too small or too difficult for us to handle!
- ▶ **Best-in-Class Service:** Our partnership with Byrider focuses on offering top-notch customer service and premium auto parts, all at competitive prices, to help you lower your recon costs.
- ▶ **Nationwide Reach:** With a dedicated sales team and delivery options to all 50 states, we ensure your parts are delivered quickly and efficiently.
- ▶ **Grade A 4 Corners:**
  - *Surround yourself with good people*
  - *Listen to our customers*
  - *Check your ego at the door*
  - *Check your greed at the door*

### **QUALITY YOU CAN TRUST:**

We understand the importance of quality when it comes to recycled auto parts. At Grade A, all parts undergo rigorous inspection, cleaning, and photography so you can view the part before it arrives. As we like to say, “No two parts are alike—each is as unique as a snowflake.” Our commitment is to provide well-described, quality parts that meet your needs.

### **FAST DELIVERY AND EFFICIENT SERVICE:**

With partnerships with the nation’s largest LTL carriers, we offer expedited delivery and verified tracking. All parts are tagged, barcoded, and checked for accuracy to ensure they arrive as ordered, minimizing downtime, and speeding up cycle times.

### **GRADE A AUTO PARTS: YOUR PARTNER IN SUCCESS.**

Ready to save on recon costs while receiving the highest quality parts and service? Contact us today and experience the Grade A difference.

### **PLEASE CONTACT:**

- ▶ **Justin Cipriano, VP of Sales** – 502-754-4500 [jcipriano@algarinc.com](mailto:jcipriano@algarinc.com)
- ▶ **Mark Gamble, VP of Operations** – 330-635-9776 [mgamble@algarinc.com](mailto:mgamble@algarinc.com)

**SALES CONTACTS: 888-322-2091** [byriderorder@algarinc.com](mailto:byriderorder@algarinc.com)

# IT UPDATE

## TIPS & TRICKS FOR USING BYRIDER'S REPORTING AND ANALYTICS TOOLS

At Byrider, we are committed to empowering our franchisees with the best tools to make data-driven decisions. Our reporting and analytics tools from **Discover** and **Looker** are pivotal in helping you understand key business insights, streamline operations, and improve sales performance.

Here are some tips and tricks to help you maximize the power of these tools:

### LOOKER TIPS

**1. Create Custom Dashboards:**

Bring together multiple “Looks” (individual reports) into a single custom dashboard. This allows you to view different perspectives at once, streamlining your analysis process.

**2. Save Custom Filters:**

Save your custom filter settings so your dashboards automatically load with your preferred views each time.

**3. Set Your Favorite Dashboards:**

Quickly access the dashboards that matter most to you by marking them as favorites—simply click the heart icon in the bottom right corner

**4. Bookmark Looker:**

Save time by bookmarking the Looker link in your browser for quick access.

### RECOMMENDED DASHBOARDS

We recommend the following dashboards to keep an eye on your key metrics:

- ▶ **Sales Funnel:** Track the progress of deals through the sales process.
- ▶ **Net Sales Deal Structure:** Get insights into the structure of sales and pricing.
- ▶ **Risk KPIs – All:** Monitor key performance indicators related to risk management.
- ▶ **Sales Comparison:** Compare sales performance across different periods.
- ▶ **Sales Funnel by Salesperson:** Review individual sales performance and progress.
- ▶ **Low Balance Accounts:** Identify accounts with low balances for potential follow-up.

### DISCOVER REPORTING TIPS

If you ever struggle to find a report in **Discover**, don't forget to use the “**Help Me Find a Report**” under the Reports Menu in both Discover Sales and CNAC. This can help you quickly locate the report you're trying to find.

By leveraging these tools, you can gain deeper insights into your franchise's performance and make data-driven decisions that lead to success.

If you have any further questions or need assistance, don't hesitate to reach out!

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# MARKETING

## BUILDING FOR THE FUTURE

The Byrider Corporate Marketing Department is evolving—coming together to shape the future of our brand. Our mission remains clear: to provide top-tier consultation and collaboration to every franchisee while further strengthening Byrider’s presence in the marketplace.

To achieve this, we are conducting a full-scale evaluation of our marketing strategy, including our website, SEO, Adwords/SEM efforts, creative processes, and agency partnerships across our dealer network. Additionally, while working closely with the Marketing Committee, we are exploring new initiatives such as database marketing, CDPs, organic social content, and fresh promotional ideas to enhance our reach and impact.

In the coming weeks, we’ll be sharing updates on our progress and hosting meetings to present our plans and how they will support your success. Stay tuned!

As always, we’re here to help. Feel free to reach out to any member of the marketing team or contact us at [byridermarketing@byrider.com](mailto:byridermarketing@byrider.com).



**Kelly Phillips**  
VP of Marketing



**Shankar Gadupudi**  
Web Experience Manager



**Brent Gann**  
Creative Manager

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# COMPLIANCE UPDATE

## INDUSTRY NEWS ARTICLE

### FEDERAL COURT VACATES THE CARS RULE: WHAT DEALERS NEED TO KNOW

By Brad Miller

Chief Compliance/Regulatory Officer & Head of Legal Comply Auto

**What Happened?** The U.S. Court of Appeals for the Fifth Circuit has vacated the Federal Trade Commission's "Combating Auto Retail Scams" Trade Regulation Rule (CARS Rule or Vehicle Shopping Rule), finding that the agency failed to follow its own procedural requirements during the rulemaking process. The decision, issued on January 27, 2025, stems from a challenge brought by the National Automobile Dealers Association and the Texas Automobile Dealers Association, who successfully argued that the FTC was required to issue an advance notice of proposed rulemaking (ANPRM) before proceeding with the rule.

It's important to note that while the CARS Rule aimed to codify existing UDAP (Unfair or Deceptive Acts or Practices) law and regulations governing dealer advertising and F&I compliance, the court's decision to vacate the rule was purely procedural. The underlying rules and requirements currently in place remain unchanged.

#### WARNING – LEGAL JARGON AHEAD

At the heart of the case was whether the FTC's authority to issue the CARS Rule derived from Section 18(a)(1)(B) of the FTC Act or from Section 1029(d) of the Dodd-Frank Act. While the Dodd-Frank Act exempted the FTC from certain statutory ANPRM requirements when regulating auto dealers, the court found that this did not override the FTC's own internal regulations requiring an ANPRM for all trade regulation rules. The majority opinion determined that the Dodd-Frank Act merely relaxed procedural requirements but did not grant the FTC any independent substantive authority separate from the FTC Act.

Ok, so these are arguments that only a lawyer could love – but the bottom line is that the court's decision was based solely on procedural grounds, meaning that because the FTC failed to follow the appropriate procedures in issuing the rule, the public's ability to have the required input on the Rule was prejudiced, and therefore the FTC must go "back to the drawing board" if it wishes to go forward with the CARS Rule. What this also means is that the court did not invalidate or even address the substance of the Rule or its requirements.

#### WHAT'S NEXT?

There are three potential outcomes based on the court's decision. First, the FTC could request a rehearing with this panel, or appeal the decision either to an "en banc" panel of the 5th Circuit, or to the Supreme Court. Second, the FTC could start over with the Rule (or another similar rule) following the required procedures in doing so. The first option is possible, but unlikely. The second option is also highly unlikely given the Trump Administration's deregulatory efforts, and given that the FTC is about to have a Republican majority.

# COMPLIANCE UPDATE

## INDUSTRY NEWS ARTICLE (CONTINUED)

The third, and most likely outcome, is that the FTC will largely abandon this rulemaking effort and focus instead on enforcement against dealers – likely increased enforcement – of the current UDAP and related requirements related to dealer advertising and F&I compliance.

### **DOES THIS MEAN WE CAN NOW FORGET ABOUT COMPLIANCE?**

**No, absolutely not.** Indeed, there is a strong argument that this will increase the need for dealers to double down on their compliance efforts – for several important reasons.

First, it is important to remember that the court's decision did not address or invalidate the current legal requirements for dealers. The Rule itself (in the words of the FTC) simply codified current dealer advertising and F&I compliance law into a Rule. The court's decision means that the new recordkeeping requirements and other new disclosures that the Rule would have proposed will not become effective, but it does NOT change any current law.

Second, both the FTC and State AG's are currently in the midst of an aggressive enforcement campaign targeting deceptive advertising and F&I practices at dealerships. The FTC's enforcement actions have received unanimous support from FTC commissioners, suggesting a bipartisan commitment to price transparency enforcement that transcends individual rules or regulations. And at the state level, it is clear that many AG's (both Democrat and Republican) see the need to step up enforcement against dealers in the wake of the court's decision.

### **SO, WHAT SHOULD I BE DOING NOW?**

The bottom line is that dealer practices are under more scrutiny than ever before – and that is only likely to increase despite (or perhaps because of) the court's decision. Dealers must continue to be vigilant to protect their stores. Given the increased scrutiny of dealer practices, businesses should:

- ▶ ***Maintain vigilant oversight of price advertising***
- ▶ ***Ensure all fees and product costs are clearly disclosed, not hidden in fine print***
- ▶ ***Train staff to avoid payment packing and properly explain product features, costs, and optional nature to customers***
- ▶ ***Implement robust compliance tools and systems to monitor and enforce best practices***





# COMPLIANCE UPDATE

## STANDARD REMINDER

It's crucial that we all adhere to our Byrider standards, which are established and voted on by our Dealership Board. Each month, we will highlight one as a reminder. Refer to Appendix B- Standards and Best Practices in the Operations Manuals on ebyrider.com. <https://ebyrider.com/wp-content/uploads/2018/02/Appendix-B-Standards-Best-Practices-Rev.-07-27-2023.pdf>



## THIS MONTH'S STANDARD IS ... DISCLOSURE OF RECALL INFORMATION

In December 2022, 36 State Attorneys General reached a \$1 million settlement with CarMax for not disclosing safety recalls to consumers before they purchased used vehicles. This settlement led to the creation of the Disclosure of Recall Information Standard and Best Practice.

Disclosure of Recall Information	<p>All vehicles, available for retail sale, must be checked for outstanding recalls through the National Highway Traffic Safety Administration (<a href="http://www.nhtsa.gov">www.nhtsa.gov</a>) website prior to the customer sale (within at least 48-hours of the sale).</p> <p>If a "Do Not Drive" or "Stop Sell" recall appears on the notification, the vehicle may not be sold to a customer until the recall has been repaired and the notice has been removed. If there is documented proof of the recall being repaired, you may sell the vehicle and disclose the repair history to the customer.</p> <p>The customer must be given a copy of the recall notification and acknowledge the receipt of it by signing the Disclosure of Recall Information Form (F2260A) before the closing process.</p> <p style="text-align: right;"><i>Standard Added 3/2/2023</i></p>
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## AUDIT TIPS:

Form 2260A Must be signed and dated by the buyer(s) and dealer, with the appropriate Recall Box checked.

For your safety we have performed a recall search on the website of the National Highway Traffic Safety Administration (NHTSA) ([www.nhtsa.gov](http://www.nhtsa.gov)). The results of that search and the date it was performed are attached to this notice.

- Recall found. It is our information that the recall repairs have not been performed.
- Recall not found.

You must also be aware that the manufacturer of this vehicle may have "campaigns" or "service bulletins" regarding this vehicle that you should check through either [www.nhtsa.gov](http://www.nhtsa.gov) or the manufacturer's website. The NHTSA website may not be up to date, so you need to periodically check.

3/6/23, 9:10 AM  
2011  
LINCOLN MKS  
VIN: 1LNHL9FT3 [REDACTED]  
Recall data refreshed on Mar 06, 2023

**Unrepaired Recalls**  
associated with this VIN

←

What if my car isn't recalled now? Could it be recalled later?  
Yes. Whether a manufacturer independently conducts a safety recall or NHTSA orders one, the manufacturer must file a public report describing the safety-related defect or noncompliance. Manufacturers are also required to notify owners by mail within 60 days of notifying NHTSA of a recall decision.  
Look for this distinct label to distinguish critical safety recall information from other marketi

**Retain the results of VIN Check, ensure the date is printed on the documentation**

# TRAIN-THE-TRAINER RECAP

## TRAIN THE TRAINER SUMMARY & UPDATE

Train-The-Trainer sessions are designed to provide operational leaders with the skills and knowledge to effectively teach others. Continuous learning and development will improve individual and team performance.

### THIS MONTH'S TRAIN-THE-TRAINER SUMMARY

- ▶ *Driving Traffic: System Sales Trends, Understanding Lead Channels, Goal Setting and Expectations, Lead Generation, Conversions, Scripting, Reporting and Accountability.*

### UPCOMING TRAIN-THE-TRAINER SESSION

Tuesday - March 11th - 2pm Eastern

- ▶ *Deep dive into Sales and Marketing*

### FOLLOW-UP SESSION

Thursday - March 20th - 2pm Eastern

- ▶ *Owners are encouraged to add anyone to the invite that may benefit from this training.*
- ▶ *We appreciate everyone's participation and look forward to continued engagement in 2025!*
- ▶ *Let's continue to work together to improve!*

## OUR VALUES

- ▶ *Honesty and integrity in everything we say and do.*
- ▶ *Maintain the highest regard for each customer and associate.*
- ▶ *Develop people and promote from within.*
- ▶ *Use our collective strengths to make decisions and solve problems.*